

By Neal Goswami, Bennington Banner

Vermont's two Democrats in Congress advocated Tuesday for repealing antitrust exemptions for the health insurance industry on the eve of a vote in the U.S. House.

The health insurance antitrust exemption, passed in the McCarran-Ferguson Act of 1945, has allowed the industry to raise health insurance rates at a pace that "is just not sustainable," Rep. Peter Welch, D-Vt., said Tuesday in a conference call with reporters.

"One of the reasons they are able to stick a gun to the head of our businesses and consumers is because they have antitrust exemptions," Welch said.

Repealing the exemption "would stop collusion all around," Welch said. "I hope tomorrow we're going to pass it with ... bipartisan support in the House," he said.

The law provides protections for insurance companies from federal monopoly provisions, and leaves most regulation to the states.

Welch is a co-sponsor of House legislation up for a vote today that would repeal the exemption. Major League Baseball is the only other industry that enjoys a similar protection.

The House included the repeal in its version of health care reform passed late last year, but that effort has since come to a grinding halt. The current attempt to repeal the exemption is a stand-alone bill.

Sen. Patrick Leahy, D-Vt., has sponsored similar legislation in the Senate. Leahy, chairman of the Senate Judiciary Committee, held hearings last fall on the Senate version.

"If we're going to bring down prices, one of the tools is competition and choice for purposes of

insurance," Leahy said during the conference call.

Sen. Bernie Sanders, I-Vt., is a co-sponsor of the Leahy's Senate legislation.

Leahy said the insurance industry has spent "millions and millions of dollars to fight this," allowing them to "fix" prices.

The White House formally announced its support for such a repeal Tuesday. White House spokesman Robert Gibbs decried the fact that there are no rules "outlawing bid rigging, price fixing and other insurance company practices that will drive up healthcare costs."

"At its core, health reform is all about ensuring that American families and businesses have more choices, benefit from more competition, and have greater control over their own health care," Gibbs said during his daily briefing. "Repealing this exemption is an important part of that effort."

Both Leahy and Welch said repealing the exemption is just one part of reining in health care spending. Congress must address further issues by passing comprehensive health care reform legislation, they said.

Thursday's televised health care forum with President Barack Obama and Congressional Democrats and Republicans is an important step in passing reform legislation, Leahy said.

"I hope it really works," Leahy said. "There are enough areas of agreement between Republicans and Democrats. If everybody wants to work together I think we can get a bill."

Welch said he, too, is pushing for passage of a reform bill.

"I've given up on having an emotion about this. I'm just putting my head down and trying to get a health care bill passed," Welch said. "The status quo is the worst possible option."